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Inner Harbor Navigation  
Canal (La.)

Addresses delivered at the  
dedication exercises...

New Orleans

1923

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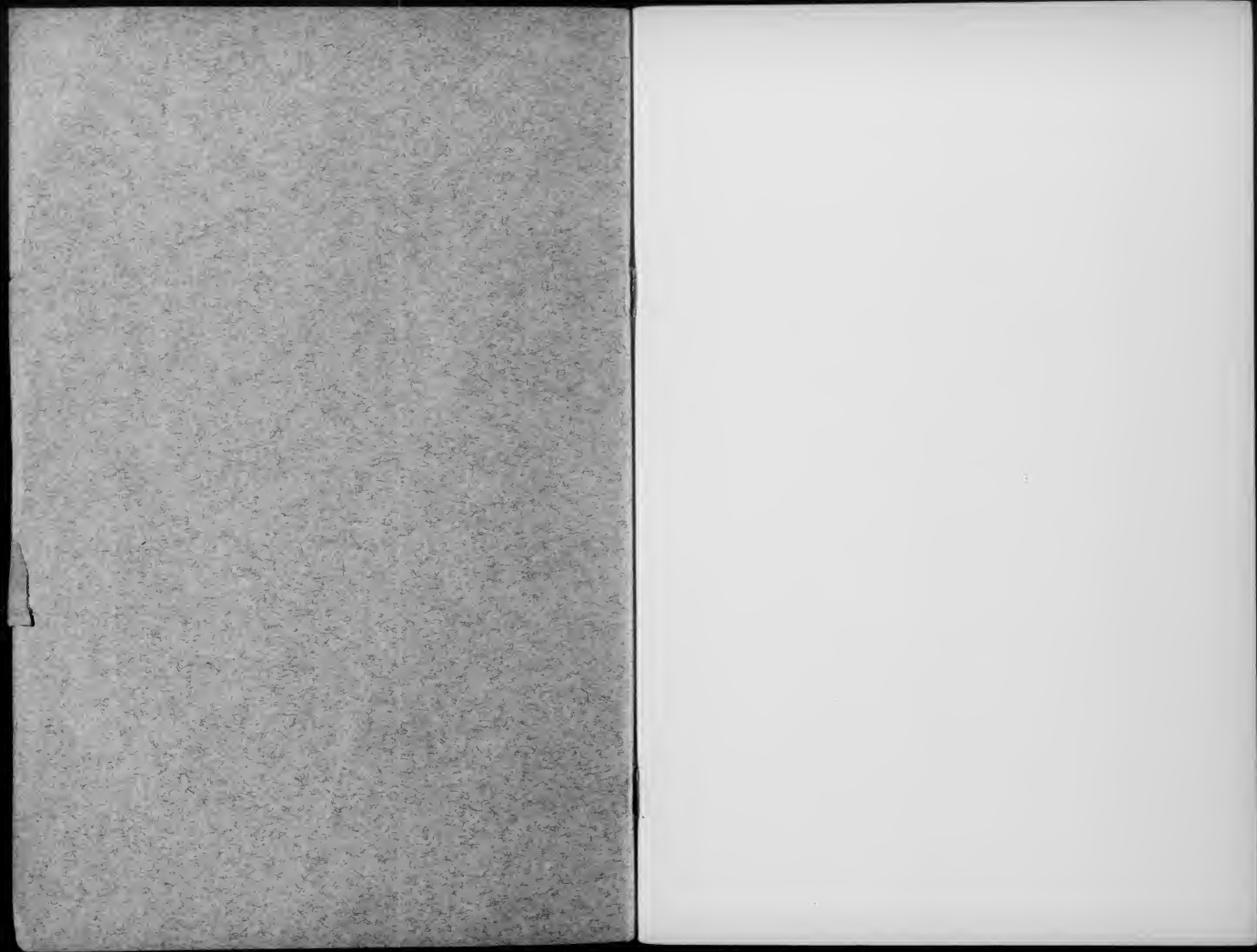
ADDRESSES  
DELIVERED AT THE  
DEDICATION EXERCISES  
OF THE  
INNER HARBOR  
NAVIGATION  
CANAL

NEW ORLEANS, LOUISIANA

MAY 5, 1923



AND ADDRESSES  
DELIVERED AT THE  
NEW ORLEANS-MISSISSIPPI  
VALLEY PORT CONFERENCE  
NEW ORLEANS, LOUISIANA  
ON THE SAME DAY



Mr. W. L. Lang. 2, 1923

ADDRESS

OF

*James A. Farrell*

PRESIDENT

UNITED STATES STEEL CORPORATION

AND

PRESIDENT OF THE NATIONAL  
FOREIGN TRADE COUNCIL

AT THE

DEDICATION EXERCISES

OF THE

INNER HARBOR  
NAVIGATION CANAL

MAY 5th, 1923

IT IS with peculiar interest that I fulfill here today the invitation of your chairman to talk to you upon the occasion of the dedication of this great work, designed for the purposes of industry and commerce and to serve the needs of the Mississippi Valley in its business with the world.

Eight years ago, when the National Foreign Trade Council met here, I believe I saw eye-to-eye, with some of you, the vision of what this utility might be made to mean, to commercial America, to the most effective and mutually profitable movement of materials from the sources of supply, through the processes of manufacture, to ultimate markets.

You in Louisiana have manifested here your ambition to develop in this locality a great industrial and commercial center. You have proven your faith by this great investment, which some of you have called, perhaps with justice, "the greatest work since Panama."

Your natural conditions are favorable—if they are turned to use with minds open to those other conditions which govern and control the great movements of traffic and the flow of investments.

Naturally, those in the United States, who are charged with the administration of large enterprises, who must look ahead and plan for the development and safeguarding of their business, are looking toward New Orleans, toward the region about the lower Mississippi, with a degree of interest and attention not equalled in our industrial history.

But I would be unjust and unfair if I did not add that these results, at the last, must depend upon the measure of your own decisions—as to how those natural conditions, and how these great new utilities may be put to the uses upon which our mutual prosperity depends.

Your ambition for New Orleans' port is twofold.

You plan here for industry and for commerce.

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ADDRESS OF JAMES A. FARRELL

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Industry creates commerce. Industry depends upon foreknowledge of conditions, and conditions must have a large measure of permanence. And industry must have, if it would live, conditions of freedom which enable it to meet competition.

Commerce moves at will, following the channels of greatest economy and ease. If the channels through which commerce moves to and from industry become clogged, then industry decays. If industry is hampered and hindered, perplexed and uncertain, then commerce dries up at its source.

With the stress of your construction operations, now drawing to an end, you will probably soon announce the conditions under which it may be of use. That, industry and commerce must know, in order to enlarge the breadth and scope of its activities. Industry, in order to thrive and support its workers and reward its investors in the measure to which they are entitled, is oftentimes compelled to locate where its future will be unhampered in extending its facilities.

For that, you cherish your ambition for New Orleans. For that, you have builded this Canal. For that, you look forward to the factories and the warehouses that may be erected here, and to the fleets on sea and river that may use it, and to the multiplied trains that may come to it.

May this Navigation Canal soon be extended to the sea and its highways be the scene of producing activities.

ADDRESS

OF

*John H. Puelicher*

*President, American Bankers' Association*

AT THE

DEDICATION EXERCISES

OF THE

INNER HARBOR  
NAVIGATION CANAL

MAY 5th, 1923

BRING you the greetings and good wishes of financial America. You are vigorously contributing to her economic welfare. You are decreasing the distance between her great Mississippi Valley and the rest of the world. You are bringing the rest of the world nearer to her great farms and to her workshops. From the Appalachians to the Rockies and from the Great Lakes to the Gulf, you are quickening the pulse of her industries. There is being forged into the chain which binds us to the sister republics to the south, as well as to the other parts of the world, another powerful link.

Nature in her plans for the welfare of man designed for him the great trade routes. The great waterways have always been the chief media for the inter-relationships of man. Only occasionally has he found it necessary to cross the mountain or to tunnel these obstructing walls, yet the mountains have given direction to the rivers and have sent them over the plains to the sea. The great cities of the world have usually found their being at the juncture of the river and the sea. Thus has transportation both by land and by water been facilitated by the great trade routes, provided by nature—nature recognizing that without transportation her civilization would remain undeveloped. Without transportation we should still be subsisting upon that produced by the immediate neighborhood. It is transportation and modern communication which have made the whole world kin—have made the whole world contributors to the comforts of each of its parts. Civilization has been advanced as man has found time to devote himself to its pursuits, and that which contributes to our greater economic efficiency contributes to our greater civilization.

It must be an efficiency that brings to the homes of many the products of many. It must be an efficiency that facilitates the exchange of the necessities and the comforts produced in surplus elsewhere. It must be an efficiency that uses the wealth created by this exchange of surplus for the greater



leisure of man, for the better education of man, for the better, finer development of that which contributes fellowship between man and man. It must be an efficiency that develops those traits of character which make appreciated citizenship in a country whose institutions rest on individual initiative and individual reward. It must be an efficiency that directs these rewards back to the welfare of our kind.

Trade and commerce have been wonderful developers of man. Their fruits have made possible those educational institutions upon which man's enlightened future rests. Any advance which makes more general the distribution of those advantages, which go to make us a more enlightened and more civilized people, is an advance which should meet with our support and our applause.

You are, in your endeavor, bringing the world into a closer relationship, into a better understanding, into greater companionship, in facilitating the exchange of those commodities which go to make life more possible, more comfortable. You have built here a city which more completely opens the great valley of which you are the great southern gateway and increased the possibilities of a greater exchange of that which the valley produces for that which is produced elsewhere in the world.

From my home in the far northern part of the Mississippi Valley we have watched with interest the courage and farsightedness of your enterprise and have thought of the good that will result from its consummation.

New Orleans will be benefited as she benefits. By the improving of this great port are improved the transportation facilities of the whole Mississippi Valley—both bringing the products of the valley to other parts of the world and returning to the Valley the products of other parts of the world. New Orleans in thus serving should be served by those whom she serves.

Your economic efficiency has been designed for the good of our kind. Keep true to that intent! Other cities have

become world-famous commercial centers, but when their pursuits became selfish, were no longer for the good of the vast populations which contributed to their trade, when they ceased to serve equitably that civilization upon the intelligence of which their welfare depended, they ceased to be. New Orleans as she uses her nature-given facilities and her man-created economies, will best serve herself as she first serves mankind.

EXTRACTS FROM ADDRESS

OF

*Sen. J. E. Ransdell*

AT

DEDICATION EXERCISES

OF THE

INNER HARBOR  
NAVIGATION CANAL

NEW ORLEANS

AT THE LOCK

MAY 5th, 1923

I HAVE always been a staunch advocate of the Industrial Canal, and have encouraged it to the best of my ability from its beginning. This canal is destined to prove of incalculable benefit to the city of New Orleans, the entire Mississippi Valley, and the Gulf Coast.

It is a most valuable link in the system of intercoastal canals from Boston extending along the Atlantic coast to Florida, across the peninsula and along the coast to New Orleans, and from the Mississippi to the Rio Grande. It joins in one connecting, inland, safe waterway all the rivers, lakes, sounds and canals from New England to the Mexican border.

It connects the eastern end of this vast canal system with the Mississippi River and its 14,000 miles of tributaries, including the Great Lakes through the Illinois-Mississippi Canal.

It makes certain the ultimate connection of the port of New Orleans by ship canal with the Gulf, which will form a safer, more direct, less expensive route than that through the passes of the great river. Under no circumstances must the channel through these passes ever be abandoned. The rapidly growing commerce of New Orleans needs a deep outlet to the sea by a canal through the marshes between the lakes and the river which will not be affected by the annual floods on that stream, and the vast quantity of sediment which is constantly extending the delta into the Gulf.

The rapidly growing commerce and increasing population of New Orleans demand this channel in addition to the passes at the mouth of the river. In 1840 New Orleans was the fourth port on earth, exceeded only by New York, London and Liverpool. Today it is exceeded on this continent only by New York. One of our great railroad presidents told me many years ago that New Orleans would some day exceed New York in population and business. Be that as it may, beyond question the Crescent City is destined to be a vast

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ADDRESS OF SENATOR JOS. E. RANSDALL

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metropolis of population, wealth and commerce.

In the great future which opens before us I foresee that the Industrial Canal will play a leading role. It furnishes wonderful advantages for industrial and manufacturing enterprises of many kinds. There is scarcely any limit to its power to serve by a network of laterals into the adjacent territory. The permanence of its banks, and its unvarying water level make it much more desirable than sites adjacent to the river.

I earnestly hope that the Board of Commissioners will plan for the future at least one hundred years hence, and exercise the keenest foresight and vision in all their actions connected with this great enterprise. The cost of the Canal—\$20,000,000.00—seems a large sum to many, but to my mind it is small when compared with the ultimate benefits to be derived therefrom.

ADDRESS

OF

*John M. Parker*

GOVERNOR OF LOUISIANA

AT THE

DEDICATION EXERCISES

OF THE

INNER HARBOR  
NAVIGATION CANAL

MAY 5th, 1923

WE ARE gathered here today, under peculiarly fitting circumstances, to dedicate a great and significant contribution to the well-being of all America.

The circumstances are fitting because, in addition to the citizens of this state, upon the credit of which this canal has been constructed, there are gathered here representatives of the industry, the commerce, and the financial activities of all America.

And this utility, which we here and now are to dedicate, was conceived, devised, planned and constructed by Louisiana to serve the industry and the commerce of this whole country.

Furthermore, it is to serve that industry and commerce in what we intend to be a service designed upon the broadest lines and in concord with the best thought of what commerce and industry require for its quickest, freest and most advantageous movement.

It is service for which this canal has been constructed—not exploitation. It is not builded for direct profits, but to equip New Orleans to be, in the broadest sense, the gateway of the Mississippi Valley for its interchange of products with the markets of the world.

New Orleans and Louisiana expect to benefit, of course, but look for their benefit to the stimulated movement of commerce through the valley, to the increased congregation here of men, busy with the affairs of shipping, manufacture, distribution, by land and river and sea.

The Chairman has told you that we have removed “politics” from the commission which has charge of our port activities. So, I believe, we have removed politics in its improper meaning, in that we have removed the temptation and the opportunity for the use of the responsibility and authority of the Board for factional or partisan purposes.

The Board is freed from partisan or factional attack by the method and arrangement of its organization. It is organized as the Board of Directors of a great corporation, answerable in fixed terms of office, through the Governor, to the whole body of the people who are the stockholders in the great enterprise.

They have chosen as their executive officer a distinguished officer of the American navy, whose war-time and other experiences peculiarly fitted him for the post he has been given. He is charged to administer the tremendous plant entrusted to him, and to control the great number of employees, with an eye single to resultful service.

So much for the administrative personnel and the system under which it functions. It has, I believe, the confidence of the thoughtful business and working people of this commonwealth. This canal, itself, marks a departure in the policy of Louisiana, or rather an adaptation of its policy to modern conditions. Designed, as we believe, eventually to be a connecting and essential link in a shorter and more economical route from the port and river to deep water in the Gulf, its present and primary purpose has to do with the larger phases of modern commercial and industrial activity.

Our thought in Louisiana is that the more completely we can free the movement of commerce from needless friction and avoidable cost, the more nearly full and the richer the movement of that commerce will be. Commerce, of course, must pay its way, and the ultimate consumer eventually refunds to the producers and the movers that payment.

So, consumers and producers and movers are all helped when distribution is made swift, sure, easy and economical.

Most of you know that under its original law the water front in New Orleans is publicly owned and is inalienable. That has many advantages and is a policy sustained by public opinion and many judicial decisions. Yet, for certain types of commerce and certain phases of industry, there are disadvantages coupled with the advantages of this policy.

The Inner Harbor and Navigation and Industrial Canal is intended to conserve all the advantages to the public and to commerce generally which come from public ownership and operation, and yet to afford to modern industry and commerce, where needful, every advantage and facility which come from privately owned and operated access to water frontage.

We have constructed here a closely knit co-ordination of rail, river and sea transportation facilities operating over publicly owned docks, with constant level water, land-locked, storm-protected.

Upon such sites we hope there will be developed the greatest concentration depot for manufactures, which the Mississippi Valley possesses and destined to serve the business of the whole valley. We hope that great industries will locate upon such sites, there to assemble their raw materials and their fuel, and from these sites to accomplish their distribution at opportune and seasonable times and under economic conditions.

The policy under which such sites are to be made available is shortly to be enunciated by the Board. It will be, I believe, sound, dependable, fitted to the best modern practice, such as will protect the public's interest while it stimulates and aids all honest industry and commerce.

We are bold enough to believe that here in New Orleans, before another generation has passed, will be witnessed the greatest international movement of goods and people which the New World has ever experienced.

We look forward to a network of railroads, busied profitably and dependably, at all seasons, and to capacity; to an inland river waterway system teeming with fleets of cargo and passenger-carrying craft of modern type—all meeting here with other fleets of valley-owned, American Flag flying merchantmen, successfully meeting the friendly competition of other nations upon all the seas.

ADDRESS

BY

*R. S. Hecht*

PRESIDENT

BOARD OF COMMISSIONERS

OF THE

PORT OF NEW ORLEANS

AT THE

DEDICATION EXERCISES

OF THE

INNER HARBOR  
NAVIGATION CANAL

MAY 5th, 1923

WE HAVE invited you to come here today to help us celebrate the completion of one of the most important public improvements ever undertaken by our state.

For over a century forward-looking citizens of New Orleans have discussed a plan of connecting the Mississippi River with Lake Pontchartrain, both for the purpose of establishing a direct navigation between these two bodies of water and to provide additional harbor facilities for commercial and industrial expansion.

However, for many reasons, which it seems unnecessary to discuss in detail at this time, two or three generations had to pass before such a plan could be finally carried into execution.

About fifteen years ago one of our farsighted fellow citizens, Walter Parker, began anew to stir up the interest of our citizens in this project, and after several years of untiring effort succeeded in getting the Constitution of our state so amended as to make it possible for the Board of Commissioners of the Port of New Orleans to undertake this work.

Several years were devoted to a careful study of the many phases of this problem before any definite action was taken, and it was not until spurred on by the necessities of the War, and by the earnest desire of our population to assist in winning it, that a practical plan could be devised to finance this gigantic enterprise.

It was under the administration of Governor Pleasant and the presidency of Mr. W. B. Thompson that the Board finally authorized the construction of the Canal, and within a very short time thereafter two large shipbuilding plants began operations and built quite a considerable number of ships until the termination of the War practically put an end to the shipbuilding industry all over the United States.

Thus, the Canal has already fulfilled one of its missions, and we believe that now that it is completed it will not be



long before its usefulness will be demonstrated in many other directions.

Like most enterprises of its kind, the total cost of its construction was much greater than the original estimates indicated, and it will probably take some time before the Board can expect to collect sufficient direct revenues from it to make the investment pay for itself in the usual sense of the word. On the other hand, we believe that the indirect benefits which will come to our people by the new enterprises to be developed, the improvements to be added to our taxable wealth, and by the increase of our population, will become apparent right from the start, and we have no doubt that in that respect, at least, the returns on our investment will be liberal and immediate.

And, if one of the objectives of our people was to do the one big thing which will help this port to keep pace with the ever-increasing trade of the Mississippi Valley, and achieve the great results which should be expected from the Second Port of the United States, then the creation of this facility has already justified itself, for it has removed for all time whatever restrictions and limitations nature had heretofore imposed on our harbor, and we have thus unlocked an unlimited opportunity for development.

It would lead too far to go into a detailed discussion at this time of the results which we expect to achieve through this canal, but a brief statement of the Board's principal objectives does seem necessary.

The Canal will have at least four separate phases of usefulness:

1. It will be an inner harbor for the general wharf and warehouse business of the port ;
2. It will be an industrial harbor for water-front industry ;
3. It will be a part of the great system of coastwise canals extending from southern Texas to southern Florida ;

*Twenty-six*

4. It will be the commencement of a deep-water canal from New Orleans to the sea, which will give a second and safer entrance to the port, and will, of course, add tremendously to the importance of this inner harbor development.

As an inner harbor, our Canal and its laterals will contain a great system of piers, slips, sheds, warehouses, railways and roadways. These will be built of concrete, steel, brick, stone and other enduring materials. This inner harbor is being laid out, as a whole, looking far into the future. Each part as constructed will have a due and logical relation to all other parts. As a result, we shall have a perfectly co-ordinated harbor and, as time progresses, our patrons should enjoy the use of the most economical and efficient port facilities in the world.

As an industrial harbor, our Canal is a necessary corollary to the commercial developments that are occurring here. We are located in a region rich in raw materials, in oil, sulphur, salt, cotton, sugar, rice, corn, hides, lumber and other products. Other raw materials pass over our wharves from abroad, such as metallic ores, rubber, sisal, tropical woods, oils, fertilizer. It is impossible for us to doubt that these raw materials from at home and abroad must come in greater and greater quantity to pause here to be manufactured into more finished products. Here in our Canal we shall have ideal water-front sites for industries, sites served by deep water, belt railroad and paved roadways.

As a part of the system of coastwise canals, our Canal needs little explanation. Water transportation on the Mississippi River and its multitudinous tributaries is growing. A plan is in process of execution to connect the mouth of the Mississippi through a system of coastwise canals, with the Rio Grande River on the west and the Straits of Florida on the east so that goods may proceed from Chicago, Pittsburgh or Kansas City to Pensacola or Corpus Christi or Key West by water without breaking bulk. Already much of this great system of coastwise canals is completed and our canal is an essential part of that system.

*Twenty-seven*

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ADDRESS OF R. S. HECHT

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A deep-water canal to the sea from New Orleans is also an important corollary to the traffic conditions existing in New Orleans. The need for such a canal has long been recognized, and when constructed will ultimately add enormously to the power of this port to serve the Mississippi Valley's increasing needs.

From even this brief mention of the advantages we shall receive from this canal, you will see why we feel such confidence in its future. This confidence is the stronger because of our faith in the continued growth of New Orleans. The trade routes centering at New Orleans are in a period of flux. Water transportation is returning to the Mississippi; there is a constant and steady growth in the north and south rail traffic; the Panama Canal has been opened, making New Orleans the natural port for the Mississippi Valley's trade with all the Pacific Ocean.

A kindly critic has recently said of this canal that it is perhaps the boldest, but also the most progressive, enterprise undertaken in port affairs either in this country or abroad in many years.

As already stated, we feel it will necessarily take some years for the full benefits of this development to be felt by our people, but those of us who have studied the matter carefully feel that we are not only clear as to the immense advantages to come to us through the use of this canal, but we cannot see how we could do our full duty by the future traffic of the port without it.

ADDRESS OF WELCOME

BY

*R. M. Murphy*

ACTING MAYOR OF NEW ORLEANS

DELIVERED AT THE

NEW ORLEANS-MISSISSIPPI  
VALLEY PORT CONFERENCE

MAY 5th, 1923

**A**S Acting Mayor, in the absence of Mayor McShane, it is a pleasure and a privilege indeed to welcome you to the City of New Orleans.

Your convention will do much to help to further the development of our great port. The facilities of this port have already attracted world-wide notice and commendation and its development has been considerable, but we want advice, we want your judgment, your co-operation and your suggestions to further this development to take care of the great volume of business which new trade movement will gravitate towards the port by the additional facilities established by the Board of Commissioners of the Port of New Orleans to handle the business now coming to New Orleans from the Mississippi Valley and its tributaries on its way to the sea and to the great ports of the Orient and the Occident.

This afternoon you will see our great Industrial Canal, its locks and the vast area of land along its shores particularly adapted for the establishment of industrial plants to add to the already large manufacturing industries of New Orleans. These great constructive works, these improvements, stand foremost as a tribute to the genius and ability of those of our citizenship who have formed the membership, from time to time, of the Board of Commissioners of the Port of New Orleans and of its Executive and Engineering Departments, and to them this community is deeply grateful.

I welcome you to New Orleans and extend to you my best wishes for an enjoyable stay.

ADDRESS  
BY  
R. S. HECHT, PRESIDENT  
BOARD OF COMMISSIONERS  
OF THE  
PORT OF NEW ORLEANS  
DELIVERED BEFORE  
THE  
NEW ORLEANS-MISSISSIPPI  
VALLEY PORT CONFERENCE  
OF THE  
MAY 5th, 1923

PORT is, in a general way, a connecting link between land carriers and sea carriers. New Orleans, in particular, connects a dozen rail and water transportation lines of the Mississippi Valley with nearly a hundred steamship lines which enter New Orleans from all the ports of the world. A number of the most powerful rail lines of this land are amongst those which enter New Orleans. Each of these rail lines has a network of rail feeders and each rail feeder has its own network of roadways, electric roads and streets. Altogether, the rail lines entering New Orleans form a lace work of steel rails over the Mississippi Valley engrossing to visualize and stimulating to consider.

By water, the leading lines to the interior are those maintained by the Federal Government on the Mississippi and the Warrior Rivers.

On the seas, no less than ninety-four steamship lines serve New Orleans.

And, it is as instructive to visualize the web of their pathways which covers the globe as it is to consider how our rail lines serve every fireside, more or less, in the Great Mississippi Valley.

The duty and privilege of the Port of New Orleans is to efficiently interconnect for the interchange of freight and passengers the interior rail and water lines with the ocean lines. This connection is physically made through a belt railroad, paved roads and streets, and through a great terminal development of wharves, elevators and warehouses.

Much of the foreign commerce of twenty-six prosperous and growing states of the Union flows through this port. New Orleans competes with almost every port in America, with Montreal, Portland, Boston, New York and Baltimore for the grain of the West; with New York, Philadelphia, Baltimore and Norfolk for general cargo; with Norfolk for tobacco, flour and cotton; with Charleston, Savannah, Mobile

and Galveston for cotton; with San Francisco, Seattle, Los Angeles, Portland and Vancouver for the traditionally rich trade of the Far East.

It is the leading port of the United States in imports of tropical fruit and sisal; it is second only to New York in coffee. It leads in the exports of hardwoods; it is a great port for the export of the soft woods. It is a great port of import for mahogany and tropical woods. It imports millions of tons of crude oil and exports millions of ton of oil products. It imports sugar and molasses. It has a substantial passenger business to Central America, the West Indies and Europe. It is, to summarize, the port of the Mississippi Valley to the West Indies, to Europe, to Africa, South America, Central America, and, by way of the Panama Canal, to the west coast of North and South America and to the Far East, including China, Japan, Philippines and India, and Australia.

Many people, not directly connected with the administration of ports, do not recognize the part the port must play in the lives of the people they serve. They do not recognize how substantial are the differences between economical and efficient ports and uneconomical and inefficient ports. Transshipment from rail to water and from water to rail in ports is necessarily expensive. It involves, among other items, switching, car unloading and loading, warehousing, stevedoring, drayage, car rental, delays to cars and ships, insurance. Men are surprised when they learn the sum total of these charges in even the most economical of ports.

Now, this charge which the port must put upon exports and imports is obscured as to its total amount, of course, and confused with the absorptions of expense by the rail lines and by the steamship lines. All of it does not appear directly as a charge to the shipper. It is, nevertheless, there on all exports and imports and it cannot be avoided. I mention this charge here to show you the magnitude of the enterprise a port develops when it handles as we do, roughly, more than 12,000,000 tons of cargo. But the charge is just one phase of the port's activities.

The exact amount of the charge is perhaps less important than the nature of the service. Is the service satisfactory? Does the port suffer from congestion? Are there serious existing abuses? These are questions in which you, whom we serve, are as much interested as in the actual amount of the charge. As to the question of charges, I shall merely say here that New Orleans is fundamentally an economical port. By that I mean there is unusually little lost motion here or unnecessary labor in handling cargo, and many of the facilities are operated by the public at cost. I could name a great American port in which the actual expense of handling goods must be twice as great as it is here. And the service here is good, and is, we believe, improving. Nevertheless, we are not satisfied. That is why we have asked you to come here today. We wish you to see what we have done and are doing, and we wish to know from you, now or at any time in the future, what additional there is that we can do to facilitate your business.

The Port of New Orleans has now for a number of years been undergoing a steady process of growth. This growth has been at the rate of, roughly, ten per cent a year. This advancement has occurred mainly through the increase in the business brought by the rail lines. Our dealings have been mainly with Europe and with the nearer countries of Central America. However, following the great war, we have found ourselves confronted by new conditions and by great changes in trade and trade routes.

The productive power of the Mississippi Valley was industrially greatly enhanced by the war itself, and it continues to grow rapidly now that the war has ended. The manufactured products of the Mississippi Valley as well as the raw commodities which we have always produced in such large measure must, hence, find their way to the outside world through the ports of the country in greater volume than ever before. Rail freight rates are higher than before the war, and the expense of transporting goods from points in the far interior to the seaboard is felt more keenly than formerly.

The Mississippi Valley has, therefore, been searching earnestly, almost desperately, for cheaper routes to the sea.

This necessity for cheaper routes to the sea has brought the St. Lawrence project into prominence. It has developed the public interest in the navigation of the interior waterways of the country, which has kept the Federal Barge Line in existence; it has caused the Federal Government to appropriate large sums of money to make practicable the rivers of the interior for navigation; it has encouraged the people of Illinois to undertake the great engineering project of connecting the city of Chicago with the Illinois River by a barge canal, so that they might have a practicable connection with New Orleans and the sea.

The Ohio River project has again been taken up in earnest with a view to connecting Pittsburgh with the sea by way of New Orleans, and the upper Mississippi is being developed. Other work on other streams will naturally follow. While we are not unappreciative of the great business which the rail lines have brought to us in the past and neither do we anticipate that they will fail to bring us even larger business year by year, we do feel that a new element has entered into the life of this port with the return of water transportation.

And here let us glance at the position of New Orleans with relation to what port operating men call its "hinterland," that is, the region it serves. Considering the vast region in the interior which sends or receives commodities via New Orleans, it is clear we are a continental port such as Shanghai or Hamburg or Rotterdam, instead of an insular port, such as Liverpool or Kobe. New York and Montreal are also continental ports. And when you examine all the great continental ports you are sure to be struck with the convenience of all continental ports to water transportation to the interior. New York, as we all know, was made by water transportation on the Erie Canal, and while, similarly to ourselves, that port has depended on rail transportation for a few years, New York may again, in the future, develop

*Thirty-eight*

a great water transport to the interior. Indeed, I am sure she will do so.

The five great continental ports of Northern Europe are Hamburg, Bremen, Rotterdam, Amsterdam and Antwerp. Each of these before the war had almost the overseas commerce of New York. In each of these more than half of all the port's business with its hinterland was handled by water. In one port, more than seventy-five per cent of its business went by water. Is there economy in this water transportation as compared with rail transportation, do you ask? The answer is unquestionably, yes. Exact statements as to the degree of this economy are apt to be misleading, however. We do know that certain commodities were being carried from Hamburg to East Germany at one-sixth the rail rate before the war. We know also that other commodities sought rail transportation regardless of cost. But, admitting all that can be said against water transportation, we have unquestionably great possibilities of economy in water transportation. And, we believe, the people of the Mississippi Valley are determined to achieve these economies.

But, let me say here, we are satisfied that water transportation, no matter how successful, will not injure the rail lines. We know that traffic does not originate to great degrees exactly on the banks of streams. We believe waterways, railways and roadways are now complementary rather than competitive. Conditions have changed since the old rail lines found it desirable to destroy the old water lines. If water transportation shall help to make New Orleans a greater port than it now is, the rail lines which serve New Orleans will not fail to achieve their share of the benefit.

There is another factor of great importance to this port and to the Mississippi Valley which we serve. That is the Panama Canal. The canal was opened before the war, but its effects were not fully felt until after the war. Now, we find ourselves operating a coastwise port in the growing trade between the Mississippi Valley and the west coast of the United States. We now also find ourselves the natural port for the

*Thirty-nine*

Mississippi Valley to the west coast of South America, to Japan, China and the Far East.

We doubt if this change in our position is yet generally appreciated by the public. It is, however, fully appreciated not only by us in New Orleans but by the shipping public throughout the land, for great increases have occurred in our port business due to these changed conditions. Indeed, trade with these new regions has so added to the business of the port as a whole as to more than offset the decline in European business following upon the close of the war. Thus every year we have been enabled to do a greater business as a whole through the Port of New Orleans than during the previous year. We think there is much reason to believe that we shall continue to do this for many years.

The fact which I have just discussed, the natural growth of the rail commerce of the Mississippi Valley, the return of water transportation, the opening of the Panama Canal are supplemented by many others. Not the least of these is our national venture into the trade of South America, where, to some extent, we are obviously filling the place occupied before the war by Europe. We are lending South America money and receiving her raw products. We are sending her our manufactured products. Altogether it is thus a time of shifting trade routes and we seem likely to be one of the great beneficiaries of the changes.

The situation being as I have described it, it is a natural thing to ask what are we doing to meet this steady growth in the business of the Port of New Orleans, which is to say the business of our clients in the Mississippi Valley and across the seas throughout the world. Are we preparing to handle their increased business and not only to handle it promptly but economically? What does this increase amount to put in some form which can be easily grasped?

To answer the last question first, I shall say that perhaps the easiest way to understand what this increase amounts to is to consider it in tons of cargo and then to consider the area of new wharf which we have come to feel is our annual por-

tion.

The port's business is now more than twelve million tons. We need about two thousand feet of wharf one hundred and seventy-five feet wide annually to keep abreast of this increase in business, that is to say we need about three hundred and fifty thousand square feet of new wharf annually. The investment thus which we must make in wharf properties is more than a million dollars each year. Moreover, the rate is increasing.

Now, of course, wharves are not the only facilities needed in a port. Elevators, warehouses, tanks, extensions to belt tracks, paved roads are also necessary. Great facilities must be steadily created year after year, and these facilities must be balanced, co-ordinated facilities to give the best results. That is we must not only have money, but must also have a large balanced plan of port development in which each thing done has due regard to the other things done and to be done. The centralized public, but non-political administration, under which this port operates, affords an opportunity unexampled in America to create economically the adequate and co-ordinated facilities of a growing port and the fortunate financial position of the port enables these facilities to be supplied with certainty as needed.

As to the question what we are actually doing physically in a large way to take care of the growth of the port, I draw to your attention our Navigation Canal or Inner Harbor which is so much on our mind these days. We feel that in creating this splendid work we have amply guaranteed the port against failure to provide any facility the future may demand. We are commencing to create on its banks what we believe will be the most convenient and economical port facilities in existence. And we expect in this land of sulphur, oil, lumber, salt, hides, sugar, rice and corn and in a port handling the raw commodities of all the world, to see a great industrial city develop. We believe it is to your advantage, as well as ours, that this should be so. This industrial development will be in part on the main Canal, in part on laterals



to our Canal later to be built. We expect this Canal to be continued ere long to the sea, and when this is done your commerce will have a better route in every way than it now enjoys, and it can be arranged that ships of any depth may come to this port to serve your needs. Nor is the fact that this Canal is part of the intercoastal canal system unimportant to you.

This Canal has cost nearly twenty millions of dollars. Naturally, we do not expect the Canal to be a paying investment at once, and we believe that much of the repayment, when it does come, will be an indirect payment, repayment in commercial and industrial growth rather than in cash. You who use the port will commence to profit by it at once, however. And we are satisfied that this should be so.

As to the details of providing additional wharves and other facilities for the enlarged business of the port, year by year, this work, as I have said, we expect to do in part on our new Inner Harbor or Navigation Canal. We are building a great wharf there now which is to cost nearly two millions of dollars. We expect to add others. And here let me say that the port facilities of New Orleans are publicly owned and are out of politics. Further, they are operated without profit for the State of Louisiana by a board of business men known as the Board of Commissioners or the "Dock Board." These gentlemen serve without pay, the details of their business being carried on by a General Manager and other employees. They operate a great plant of port facilities consisting of many miles of wharves, of grain elevators, cotton warehouses, a great loft warehouse property, a modern coal tipple, large holdings of water-front lands, tugs, dredges and other properties. And finally they own and operate for the State the Navigation Canal; itself a colossal port terminal. The terminal properties of the port are worth perhaps a hundred million dollars, and of these properties the Board of Port Commissioners owns about eighty-five per cent and has a certain regulatory power over the rest.

Our harbor works on the river already cover so long a

stretch of the river front that we know we shall, in the near future, have to go farther up or down stream than we should like to go, or go across the stream or go in on the Canal to find suitable sites for additional harbor facilities. We believe wisdom requires the utilization of all portions of our harbor. We shall construct port facilities across the river to a certain extent in due time, and we expect to continue to build facilities on the east side of the river, but we feel we shall find it wiser to build for the needs of the future more extensively on the Canal than elsewhere in the port. And we expect, of course, to continue to use the present facilities on the river.

Our reasons for preferring to place harbor facilities on the Canal are numerous. We shall be away from the rise and fall of the river. We shall be away from the instability of the banks of the Mississippi River and can build permanent structures; we can build more concentrated facilities and better co-ordinated facilities because our control of the banks is so much surer and better than it is on the river itself, and finally we expect the industries of the Canal to be eventually themselves the source and destination of much cargo.

All things considered, we feel thus that on the Canal we shall be able to create and maintain great port facilities at comparatively small expense. The present port is, as ports go, economical. The Belt Line service insures easy and economical transmittal of commodities from all rail lines to any wharf in the port. All wharves are economically served by paved roads. And the wharves are economical in operation. We doubt if, fundamentally, there is any port in this country cheaper than New Orleans now is. However, in our facilities on the Canal, we believe that even greater economy can be secured than is secured on the river.

As to our industrial development, feeling as we do, after a study of the ports, that this port has ahead of it a steady and continuous growth with perhaps at times a growth of great rapidity, and knowing as we do that through this gateway many commodities must come and go which could be well

stopped here and manufactured into more finished products before proceeding farther on their way, we cannot help feeling that a great industrial development is sure to go hand in hand with this greater port development.

To add to the probability of such a development, we find, as I have before mentioned, many raw materials of great value in manufacturing in the immediate vicinity of this port. We have in the State of Louisiana itself cotton, timber, sugar, salt, petroleum and sulphur. We have convenient access to coal. We are the gateway of a movement in tropical woods, grain, rubber, metallic ores, steel, iron and manufactured goods, and, in fact, a great variety of commodities. We have hence provided on our Canal for a great water-front industrial development, as well as for a great harbor development. The water-front industrial section is to be served, of course, not only by water but by Belt Railway and roadways. It will thus have every advantage in transportation.

And so summarizing as to our conditions and policies, we find ourselves in possession as trustees for the public of a great and growing port which in its use is yours. It is operated without profit and without politics for you. We already have great facilities through which you can economically reach the world across the seas. We see ahead a great growth in your business with the world, and so we are increasing our facilities on every hand. In the Canal, we have perhaps undertaken the boldest and most progressive stroke ever undertaken in port affairs. Without congestion and with great economy and dispatch, and with the co-ordination possible only in a centrally controlled port, we see ourselves able to expand indefinitely into an efficient, commercial and industrial harbor.

We have asked you to come here today because we want your suggestions now and in the future as to how our port can be made most useful to you. This is not a theatrical gesture. We are in earnest. We hope to have suggestions here this morning, but as the years go by, we hope to hear many more suggestions than will be heard here today. The Board

of Commissioners is in a position to create any facilities the probable use for which can be established. It is in a position to establish reasonable policies for the benefit of its clients. Your co-operation in making your needs known to us now and in the future is requested. But we shall need your co-operation further than that. For one thing, we know we shall, without great delay, need to have our Canal extended by the Federal Government to become a canal to the sea. That will be necessary so that your business at New Orleans shall never be hampered by lack of an adequate, reliable and satisfactory channel. We shall need your help in getting the Canal to the sea. When we need your help we shall ask for it unhesitatingly, knowing that in asking for it we are acting merely as the agents of you who are using this port.

Gentlemen, I thank you for your attention. I shall be very happy if I can have made you feel a little how heartily we desire to operate this port for the advantage of those who use it.

EXTRACTS FROM ADDRESS  
OF  
*Senator J. E. Ransdell*  
BEFORE  
REPRESENTATIVES OF  
NEW ORLEANS-MISSISSIPPI  
VALLEY PORT CONFERENCE  
AT CITY HALL  
NEW ORLEANS, MAY 5th  
1923

ECONOMIES AND EFFICIENCY OF TRANSPORTATION IN  
MISSISSIPPI VALLEY

NEW ORLEANS has wonderful transportation facilities. It is served by nine well-equipped trunk line railroads, the same number that serve the colossal port of New York. The Mississippi River, with its tributaries, forming over 14,000 miles of navigable streams, flows to the Gulf by its doors. It has ninety-four steamship lines furnishing regular and dependable service to all the principal ports of the world. Its inland rail adjustments are quite favorable, and its ocean rates are as good as those enjoyed by any other port to all countries, except to Europe and the Mediterranean ports.

For many years the rivers have not been much used, but they are coming back rapidly, and the near future will witness general use of these natural highways—the cheapest modes of transportation ever known.

WONDERFUL FREIGHT POSSIBILITIES FROM FULLY  
IMPROVED RIVERS

If the entire 38,000 miles of nominally navigable streams in the Union were properly improved and made available for boats of suitable draft, it would be hard to estimate the volume of freight that could move thereon. It would certainly exceed by two to three hundred per cent the amounts now carried by water, which is nearly one-third as much as that now carried by rail. Many of the waterways are in process of improvement, and public sentiment seems to favor a liberal policy towards them. In my opinion such a course would be extremely wise. The sums necessary to finish most of the important projects on rivers and coastal canals would be small by comparison with the several billions needed for betterments and new mileage by our railroads, and would give very large returns in much needed transportation facilities. Let us hope for the speedy completion of these water courses, and their beneficial use in helping to

solve our big freight-moving problems.

In the past there has been unfriendly competition between railways and waterways, but we have every reason to believe that that has passed. Railroads have seen the unwisdom of fighting waterways, and waterways have long since realized their inability to successfully fight railroads. In recent years there has been marvelous development of highways which serve both railroads and rivers in a most effective manner.

#### TRANSPORTATION WATCHWORD, CORDIAL CO-OPERATION BETWEEN ROAD, RAIL AND RIVER

Our transportation watchword must be cordial co-operation between highways, railways and waterways, in order that the public may receive the best service at the least charge that gives fair returns to carriers. Unfair competition must cease. It is fatal to all concerned—the carriers and the people. Let us have no more of it!

Railways should treat rivers and canals as brethren in the transportation trinity, and vice versa, for the cutthroat business was not all on one side. There is no necessity to show favors to boats. Merely give them the same treatment, and the same equitable division of freights that another railroad performing the same service would be entitled to; joint rail and water rates with through bills-of-lading, assigning to each carrier its proportionate share of the freight money based on service rendered, and allow each carrier to have a fair share of the business offered.

In other words, let the railways recognize the rivers as a real part of our transportation system, and apply to all their dealings with them the principles of ordinary honesty and justice. If service can be rendered satisfactorily by boats, do not drive them out of business by unprofitable rail rates at river points, offset by much higher rates at interior places, as was done in the past. The shipper whose home is a hundred miles from the Mississippi is entitled to the same rail rate for equal mileage as one who lives on its banks. If railroads

would recognize this fact, and apply it fairly to the interior rivers just as they do the Great Lakes and the oceans, the long trouble between river and rail would speedily adjust itself.

#### NEW DEAL IS PANACEA OF TRANSPORTATION ILLS

There should be a new deal between railways and waterways. They should forget the errors of the past; profit by their hard experiences; work together in the future, each in its own field as far as may be; carry at a profit the freight that comes to them, and only such as pays a profit directly or indirectly; eschew everything that borders on unfair competition; and do whatever is possible to furnish efficient transportation to every citizen on equal terms at low rates. If that policy be adopted, not only by water and rail carriers between themselves, but also towards motor trucks, there will be wonderful improvement in our transportation facilities.

#### COST OF TRANSPORTATION ON RIVERS AND LAKES

The cost of river transportation per ton mile is not a fixed quantity. It varies within quite wide limits with the depth of the available channel and its width, and according to whether the traffic is upstream or downstream. It is needless to say, also, that to the operating cost per ton mile must be added the cost of delays at terminals, and the general overhead of conducting the business.

River transportation in this country has reached its highest development on the Monongahela River. This river has been improved by the construction of locks and dams to afford a slack water channel of eight feet depth through the section on which the heavy commerce is carried. Figures recently compiled by the district engineer at Pittsburgh show that the cost of moving this commerce ranges from a minimum of 1.72 mills and 1.98 mills per ton mile through an average of from 2.58 mills to 3.26 mills, for hauls of 56 and 65 miles respectively. These costs include interest and depreciation on the equipment at 6 per cent and 10 per cent, respectively, as well as operating costs, but do not include the

terminal charges at the point of receipt or delivery. The unloading facilities are so developed that the delays at the terminals are very brief. Present rail rates between the respective terminals are 18 mills and 17.3 mills, respectively, per ton mile of haul based on river distance. In other words, transportation on this river costs, on the average, something like *one-fifth of the cost of rail transportation.*

A series of tests made by the Experimental Towboat Board from 1916 to 1920, under an investigation into the subject ordered by Congress, gave operating costs of from 0.8 mills to 4.1 mills per ton mile, exclusive of terminal and fixed charges for traffic on the Mississippi River above Cairo (8 and 6 feet open river channels). The tests were conducted under commercial conditions, but the towboats used cannot be regarded as being as efficient as those which would be provided at the present day for such service. The average cost was approximately *2 mills per ton mile.* Data received by the Board from five commercial transportation companies indicated that the cost of river transportation varied from 4.3 mills in 1912 to 6.39 mills in 1919; these figures evidently included all costs including fixed charges and profit.

An elaborate study of and report on the Ohio River was made in 1906 by a special Board of Army Engineers. The Board strongly urge the nine-foot project on the river which was later adopted by Congress in 1910, and is now approaching completion. It gave as an estimate of cost of conveying coal in large quantities from Pittsburgh to New Orleans on the nine-foot channel, 0.5 of a mill per ton per mile, saying: "This price includes maintenance and 5% interest on investment, and is about one-eighth the average rail rate on similar commodities." (See House Document No. 17, Sixtieth Congress, First Session, page 18.)

The statistical report of lake commerce passing the canal at Sault Ste. Marie during the season of 1922 shows over *sixty-six million tons*, carried an average of 810 miles, at a cost of 1.2 mills per ton mile. In 1913 this commerce was over eighty-five million tons and the rate was much less than

*Fifty-two*

one mill per ton per mile. The average cost of this lake commerce for twenty years, including loading and unloading, was 0.82 mills per ton per mile—about one-ninth of the average rate by rail.

The Mississippi Barge Line, operating efficient equipment, carries freight profitably on joint through bills-of-lading with railroads to large sections of the valley, many miles away from the river, at 80% of the rail charge for the same service; and the prospects of this line are very promising. These rates are 3.5 mills per ton mile (including cost of operation maintenance and depreciation), according to report of Mr. Brent, Traffic Manager, which is about one-fourth of the average rail rate for the country at large, and about one-third of the average rate of the Illinois Central.

#### BIG SHIPPERS USE WATERWAYS; THEY REGARD THE GOVERNMENT LINE AS A NECESSITY

The final determination as to which is the cheaper method of transportation, rail or river, must rest with actual commercial experience. It is sufficient to point out that in fact where freight is offered in sufficiently large quantities, and the river channels are adequate, the freight actually moves by water. The great steel manufacturers of Pittsburgh receive their coal by water from the mines on the Monongahela, their ore by water and rail in friendly competition from Minnesota, and find it profitable even in the incomplete state of the improvement of the Ohio to send, when they can, their manufactured product down the river in barges. During the past year large shipments of steel and iron have been made by river from the Pittsburgh district to the lower Mississippi.

There is no doubt that the commercial interests of the river cities along the Mississippi regard the barge line, that has been established by the Federal Government, as a commercial necessity. This line has demonstrated, beyond a doubt, that, when properly handled, it is a money-maker for the Government and a money-saver for the public. The shipper by it on the average of the long and short hauls saves

*Fifty-three*

\$1.35 a ton. The line has come to stay. There is an increasing demand for the facilities offered by it. The public needs these facilities and will insist upon having them.

#### VAST IMPORTANCE OF HIGHWAYS AND TRUCKS

Highways are full brothers in the *Transportation Trinity—Road, Rail, River*. Owing to the development and general use of motor vehicles during the past fifteen years, highways have assumed a position of commanding importance. The whole fabric of transportation has been greatly modified by the introduction of the motor truck. Trucks carry an immense volume of freight for distances of ten to one hundred and fifty miles; they are rapidly driving the short line railway of one hundred miles or less out of existence; they are ideal distributors of freight in less than carload lots in large cities, and to consignees within seventy-five miles of rail or water terminals; they relieved the situation materially during the fierce congestion of the World War, and carried great quantities of commerce several hundred miles in many instances; they handled last fall 73% of the total net tonnage of manufactured products of New England; and they have demonstrated their usefulness so effectively that railroad leaders are urging them to supplement, not compete, with railways.

#### MOTOR TRUCKS ESSENTIAL TO RIVER BOATS

No development of the last half century has been so important to river transportation as the motor truck. During the long period of warfare between rail and river, the capacity of boats to serve was limited to a narrow margin on each bank of the stream where horse-drawn wagons, carrying small loads, could co-operate with them. Now they can be served by powerful trucks carrying two to seven tons, which can handle freight cheaply and rapidly to and from boats anywhere within seventy-five miles of the river where highways are good.

#### GREAT AREA CAN BE SERVED BY TRUCKS AND BOATS

Along the Mississippi from New Orleans to St. Louis this

*Fifty-four*

means an area of 120,000 square miles in the very heart of the valley, and a great area along the Ohio from Cairo to Pittsburgh, with its wonderful manufacturing interests. It means that adjacent to these two streams, between the points named, there is an area of 240,000 square miles—five times as large as Louisiana—with more than ten million people, whose transportation needs can be supplied by boats and trucks when highways are perfected and river projects completed. Road building and channel work in these sections is being pushed vigorously. Friends of boats and trucks expect the most cordial co-operation between them to the mutual advantage of both systems.

#### CONCLUDING APPEAL FOR CORDIAL CO-OPERATION BETWEEN ALL TRANSPORTATION AGENCIES

In conclusion, let me again urge genuine friendship between the transportation agencies of the Mississippi Valley. If they pull together as brothers—all for one and one for all—the development of valley commerce will be remarkable. Vast quantities of products from Atlantic and Pacific ports destined for our great interior basin will come by sea to New Orleans, thence by combined river and rail, or river and truck, to its consignees, the carriers returning with many commodities of the valley for exchange with their seacoast brethren. A colossal volume of exports to foreign lands originates in the valley states, and can, with much saving in freight costs, reach the sea via the Mississippi. The imports of these states from abroad is proportionately large, and just as their exports can save materially by following the down-hill routes to the Gulf, instead of crossing mountains to reach Atlantic or Pacific coasts, so can like saving be made in transporting the products of foreign countries into the interior.

The result of the cordial co-operation for which I plead will be so great an increase in the commerce of the Valley that all three systems—road, rail and river—will have all they can do, and will reap good profits for their labors, while the nation smiles on them and enjoys the prosperity to which they have contributed so much.

*Fifty-five*

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TITLE**